

Idaho Grain Market Report, October 5, 2018—NEW CROP PRICES

Published weekly by the Idaho Barley Commission

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Prices paid by Idaho Elevators delivered to warehouses in specified locations for barley and wheat on Wednesday, October 3, 2018. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	Barley (Cwt.) FEED 48 lbs or better	MALTING Open Market Malting	Wheat (bu.) Milling #1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Rexburg / Ririe	6.25		4.58	5.00	5.50	5.37
Idaho Falls		8.30-8.33	4.30	4.90	5.45	5.30
Blackfoot / Pocatello		7.06	4.30	4.90	5.45	5.30
Grace / Soda Springs	3.90-6.50		4.50	4.83	5.47	5.28
Burley / Rupert	6.50		4.60	4.68	5.29	5.18
Twin Falls / Buhl Jerome / Wendell	5.00-6.50		4.41-4.55	4.85	5.50	5.30
Nampa / Weiser			4.98			
Nezperce / Craigmont	5.21		5.28	5.55	5.89	
Lewiston	5.73		5.54	5.81	6.15	
Moscow / Genesee	5.24-5.43		5.31-5.40	5.58-5.69	5.92-6.14	

Prices at Selected Terminal Markets, cash FOB

Wednesday, October 3, 2018. Barley prices in \$/Cwt. And wheat prices in \$/bu.

	#2 Feed Barley 46 lbs. --	Malting Barley	#1 SWW	#1 HRW 11.5% Protein	#1 DNS 14% Protein	#1 HWW
Portland			6.00-6.17	6.29-6.49	6.75-6.85	
Ogden	7.30		4.80	5.20	6.00	5.65
Great Falls	5.85-6.50	7.75-8.05		5.18-5.28	5.46-5.64	
Minneapolis	2.60			5.99	6.80	

Market News and Trends This Week

BARLEY—Local feed barley prices, as well as open market malt barley prices were unchanged again this week at elevators around the state. USDA reported net export sales of 200 MT for 2018/2019 for Taiwan. Exports 2,100 MT--a marketing-year high--were up noticeably from the previous week and from the prior 4-week average. The primary destination was Japan.

Barley Stocks—USDA NASS's Quarterly Grain Stock Report released September 28 reported U.S. barley stocks in all positions on September 1, 2018 totaled 175 million bushels, down 3 percent from September 1, 2017. On-farm stocks are estimated at 91.4 million bushels, 1 percent above a year ago. Off-farm stocks, at 83.2 million bushels, are 7 percent below September 2017. The June - August 2018 period indicated disappearance is 73.1 million bushels, 6 percent above the same period a year earlier. Current 2018 Idaho barley stocks were at 27 million bushels on farms and 21.6 million bushels off farms for total Idaho stocks at 48.6 million bushels, compared to 43.6 million bushels total last year, a 9 percent increase over the same period last year.

WHEAT—Local cash wheat prices were mostly on an upward trend around the state this week. SWW prices ranged from \$0.02 lower to \$0.10 higher than a week ago; HRW prices ranged from \$0.01 lower to \$0.10 higher; DNS prices jumped \$0.10 to \$0.23 higher; and HWW prices gained \$0.04 lower to \$0.14. Thursday, USDA reported net export sales of 435,300 metric tons for 2018/2019, down 34 percent from the previous week and 8 percent from the prior 4-week average. Increases were reported for Brazil (90,000 MT), Saudi Arabia (65,000 MT), Nigeria (55,500 MT), Iraq (52,200 MT), and Japan (31,000 MT). Exports of 317,100 MT were down 34 percent from the previous week and 16 percent from the prior 4-week average. The destinations were primarily to Thailand (55,000 MT), Iraq (52,200 MT), Japan (41,300 MT), the Philippines (39,600), and Italy (32,800 MT).

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Market News and Trends This Week—continued

Wheat Stocks—USDA NASS's Quarterly Grain Stock Report released September 28 reported all wheat stored in all positions on September 1, 2018 totaled 2.38 billion bushels, up 5 percent from a year ago. On-farm stocks are estimated at 631 million bushels, up 28 percent from last September. Off-farm stocks, at 1.75 billion bushels, are down 1 percent from a year ago. The June - August 2018 period indicated disappearance is 605 million bushels, down 8 percent from the same period a year earlier. Current 2018 Idaho wheat stocks were at 30 million bushels on farms and 53 million bushels off farms for total Idaho stocks at 83 million bushels, compared to 70 million bushels total for the same period last year, an 8.4 percent increase over last year.

CORN—USDA reported net export sales of 1,431,000 MT for 2018/2019 for Mexico (527,400 MT), Canada (199,700 MT), Peru (184,900 MT), Japan (173,900 MT), and South Korea (136,100 MT). Reductions were reported for unknown destinations (62,700 MT). Exports of 1,408,100 MT were primarily to Mexico (390,600 MT), Japan (307,200 MT), Peru (154,900), South Korea (139,800 MT), and Saudi Arabia (82,500 MT).

Corn Stocks—USDA NASS's Quarterly Grain Stock Report released September 28 reported old crop corn stocks in all positions on September 1, 2018 totaled 2.14 billion bushels, down 7 percent from September 1, 2017. Of the total stocks, 620 million bushels are stored on farms, down 21 percent from a year earlier. Off-farm stocks, at 1.52 billion bushels, are up 1 percent from a year ago. The June - August 2018 period indicated disappearance of 3.16 billion bushels, compared with 2.94 billion bushels during the same period last year.

Ethanol corn usage—DOE's Energy Information Agency (EIA) reported ethanol production for the week ending September 28 averaged 1.015 million bbls/day – down 2.03% from the previous week and down 0.50% over last year. Total ethanol production for the week came in at 7.105 million barrels. Ethanol stocks were 23.45 million bbls on September 28, up 3.61% from last week and up 8.82% from last year. An estimated 105.62 million bu of corn was used in last week's production bringing this crop year's cumulative corn usage for ethanol production at 428.99 million bu, toward the USDA estimate of 5.65 billion bu total needed this crop year.

Futures Market News and Trends This Week

WHEAT FUTURES—Wheat futures prices were strong this week with gains across the board over the previous week. Exports remain better than expectations driving market optimism.

Wheat futures prices finished \$0.04 to \$0.11¾ higher for the week. Wheat futures settlement prices for Thursday, 10/4/2018:

	Dec 2018	Week Change	Mar 2019	Week Change	May 2019	Week Change	July 2019	Week Change
CHI SRW	\$5.18	+\$0.05	\$5.36¾	+\$0.06	\$5.47½	+\$0.06¼	\$5.53¾	+\$0.11¾
KC HRW	\$5.22¼	+\$0.05	\$5.45¼	+\$0.04¾	\$5.57¼	+\$0.04	\$5.62	+\$0.09
MGE DNS	\$5.89¾	+\$0.09¾	\$6.02¾	+\$0.08¾	\$6.10½	+\$0.09½	\$6.16¼	+\$0.09¼

CORN FUTURES—Corn futures continued upward this week on more strong USDA export data released on Thursday—export sales in the previous week were well-above the range of trade estimates. That was a jump of 23.78% from the previous week and well above the same time last year. The International Grains Council raised their 18/19 world production estimate by 10 MMT to 1,074 MMT, while projected ending stocks were up 5 to 261 MMT. An auction of Chinese state reserves sold 2.904 MMT of corn, which was 73.49% of the amount offered.

December 2018 contract closed Thursday at \$3.67½ up \$0.02½ for the week, March 2019 contract closed at \$3.79¼ up \$0.02¼ and May 2019 contract closed at \$3.86½, up \$0.02½ over the previous week.

CRUDE OIL FUTURES—The WTI Crude Oil market continued higher compared to the previous week. Although U.S. West Texas Intermediate and international-benchmark Brent crude oil futures settled higher for the week, you could say it was a labored rally because three out of the five days it closed lower. Nonetheless, the longer-term trend as determined by the weekly chart remains intact despite a subtle shift in momentum to the downside on the short-term daily chart. Leading the markets higher at the start of the week were speculators who continue to bet that the U.S. sanctions against Iran, which are expected to begin next month, will lead to a supply shortage.

EIA reported U.S. crude oil refinery inputs averaged 16.6 million bbls/day during the week ending September 28, 77,000 bbls/day less more last week's average. Refineries operated at 90.4% of capacity last week. There was an increase in Crude Oil stocks of 7.98 million bbls over last week to 403.96 million bbls, under the 5-year average of 406.99 million bbls. Distillate stocks decreased by 1.75 million bbls to a total of 136.13 million bbls, while gasoline stocks decreased by .46 million bbls to 235.22 million bbls, over the 219.96 million bbl 5-year average. The national average retail regular gasoline price was \$2.866 per gallon on October 1, 2018, \$0.022 higher than last week's price and \$0.301 over a year ago. The national average retail diesel fuel price was \$3.313 per gallon, \$0.042 per gallon above last week's level and \$0.521 over a year ago.

Crude Oil Futures finished up for the week to close at \$74.33/bbl on Thursday (November contract), \$2.07/bbl above last week.

USDA Crop Progress / Condition Report, October 1, 2018

Crop	% Progress	Previous Week	Previous Year	5-Year Average	Condition Rating % Good/Excellent	Previous Week	Previous Year
US Barley	100%				Not reported this week.		
ID Barley	100%				Not reported this week.		
US Winter Wheat Emerged	14%	(NA)	10%	14%	Not reported this week.		
ID Winter Wheat Emerged	14%	5%	11%	14%	Not reported this week.		
US Winter Wheat Planted	43%	28%	34%	40%	Not reported this week.		
ID Winter Wheat Planted	53%	40%	61%	51%	Not reported this week.		
Corn	26% Harvested	16% Harvested	16% Harvested	17% Harvested	69%	69%	63%
	86% Mature	72% Mature	66% Mature	71% Mature			

USDA U.S. Crop Weather Highlights—October 5, 2018

West—Cool weather prevails, especially across the northern half of the region. Freeze warnings are in effect early today in parts of eastern Washington and northern Idaho. Scattered rain and snow showers are affecting the northern Intermountain West, while rain is approaching the Pacific Northwest.

Plains—Cool, mostly cloudy weather covers the NW half of the region, slowing summer crop harvesting and winter wheat planting and emergence. In addition, isolated rain and snow showers dot the northern Plains. Meanwhile on the southern Plains, producers are harvesting summer crops and planting winter wheat in advance of coming rain.

Corn Belt—Warmth lingers across southern corn and soybean production areas, including the lower Ohio Valley. Cool air covers the remainder of the Corn Belt, while widespread showers are halting harvest activities in the upper Mississippi Valley and the upper Great Lakes region. Some wet snow in northern Minnesota and eastern North Dakota.

South—Very warm, mostly dry weather remains ideal for summer crop maturation and harvesting of crops such as corn, cotton, peanuts, and rice. Friday's temperatures reached 90°F as far north as the Carolinas.

Outlook for U.S. Mainland—Storms will drop heavy rainfall across the nation's mid-section during the next several days especially in a line from the Great Lakes region to northern Texas. Rain in the region will continue into the week, leading to 5-day totals that could reach 2 to 10 inches from the southern Plains into the upper Midwest causing another possibly significant river flood event and flash flooding across a broader area. Periods of snow will affect the Rockies and northern Plains, while very warm weather will continue in the Southeast and along the Atlantic Seaboard. The NWS 6- to 10-day outlook for October 10 - 14 calls for above-normal temperatures along and east of a line from southern Texas to Michigan, while cooler-than-normal conditions will cover the Plains, West, and upper Midwest. Meanwhile, wetter-than-normal weather nearly nationwide should contrast with below-normal precipitation in the Pacific Northwest.

USDA International Crop Weather Highlights—October 2, 2018

EUROPE—Much-needed rain from central France into Germany and NW Poland eased drought and provided soil moisture for winter wheat and oilseed establishment. Sunny, warm weather across southern Europe promoted summer crop harvesting. Short-term dryness reduced topsoil moisture for winter crop planting and establishment in the Balkans.

MIDDLE EAST—Sunny skies in Turkey favored corn, cotton, and sunflower harvesting. Pockets of short-term drought limited soil moisture for winter grain planting in central Turkey.

FSU—Beneficial rain in Ukraine and western Russia improved soil moisture for winter wheat establishment. Dry, warm weather promoted spring grain harvesting in Kazakhstan and central Russia.

ASIA—The summer monsoon began withdrawing from India, ushering in drier weather that promoted maturation of crops planted earlier in the season but reducing moisture for later-planted crops. Mostly dry weather in eastern China aided maturation of summer crops. Typhoon Trami weakened as it approached Japan.

AUSTRALIA—Mostly dry weather reduced yield prospects for reproductive to filling winter grains and oilseeds in the south and west and spurred early harvesting of drought-plagued wheat in the northeast. Isolated showers in the north-east offered scant drought relief for summer crop planting.

SOUTH AMERICA—Brazilian soybean planting advanced, though showers tapered off in sugarcane and coffee areas. Timely rain benefited winter grains in high-yielding production areas of central Argentina.

MEXICO—Seasonal rainfall declined, though Tropical Storm Rosa is currently approaching the northwest.

CANADA—Mostly dry weather supported spring grain and oilseed harvesting across much of the Prairies. In Ontario, showers provided much-needed moisture for winter wheat establishment.